

DEPARTMENT OF EMPLOYMENT AND TRAINING

CO-OPERATIVE DEVELOPMENT PROGRAM

FUNDING CONDITIONS

In order to become and remain eligible for funding, the following conditions will normally apply to co-operatives, unless otherwise agreed to by the Funding Committee:

1. Registration and continued meeting of the requirements of registration.
2. A real understanding of co-operative principle and practice e.g. membership of the Co-operative Federation of Victoria and attendance at meetings of community co-operatives.
3. Acceptance and observance of all relevant responsibilities as employers required under Commonwealth and State legislation and regulations. The onus is on the co-operatives to know and observe relevant legislation and regulations.
4. The establishment and maintenance of adequate financial records supervised by a qualified accountant. Banking, financial and money management details should be fully disclosed.
5. Grants and/or loans will only be used for the stipulated purposes. A formal application will have to be made to the Funding Committee for any approval to alter use of monies allocated for specific purposes.
6. All costs must be built into pricing structures.
7. Acceptance of the need for full accountability to the Funding Committee through:

- Monthly cash flow statements, balance sheets and profit and loss statements;
  - Copies of all Board minutes and any associated documents considered by the Board;
  - Quarterly reports indicating the extent to which the goal of self-sufficiency is being attained.
  - Normally, audited statements on the use of previous loans and grants will be required prior to any refunding.
8. The demonstrated and continued contribution and initiative of initiators and supporters including the active and substantial involvement of the unemployed in all phases of the co-operatives and of people with necessary managerial skills and competence.
  9. The capacity to successfully carry out stated objectives, and the feasibility of these proposed/actual activities within available resources and time frame.
  10. The capacity to become economically self-sufficient within a three year period.
  11. The existence of or acceptance of the need for a feasibility and/or market study and/or the existence of tried business areas.
  12. An emphasis on labour rather than capital intensity activities.
  13. Subject to market conditions, an emphasis on activities that do not compete unfairly with existing business enterprises.

14. The nature and future economic relevance of the actual/proposed goods produced and services provided.
15. Defined, specified and few objectives and an emphasis on a few stable single products or services.

26 April, 1981.